



Claire McCaskill

Missouri State Auditor

February 2006

St. Louis County
Fire Protection Districts

Years Ended
December 31, 2004 and 2003



Office Of The
State Auditor Of Missouri
Claire McCaskill

February 2006

A review of audits of fire protections districts in St. Louis County has been completed. This review covered the reports for the year ended December 31, 2004 and 2003.

Fire protection districts in St. Louis County are required by law to have biennial audits performed if revenues exceed \$50,000. The State Auditor received, reviewed and accepted 22 reports for the year ended December 31, 2004. However, nine of the twenty-two reports for the year ending December 31, 2004 were received after the June 30, 2005, statutory deadline, with two districts more than 135 days late.

The Kinloch Fire Protection District failed to comply with state law and did not have an audit performed. Based on district records, total receipts were \$49,900 and \$128,000 for the years ended December 31, 2004 and 2003, respectively.

Additional objectives and information are included in this year's review including comparisons of salaries, numbers of employees, and numbers of vehicles between district and city fire departments located in St. Louis County. An evaluation of the 2005 district budgets for compliance with state law was also performed.

In 2004, 18 of 22 districts had increases in their General Fund balances; and the aggregate General Fund balance of all districts increased by 12 percent. In previous reviews, it was noted that several districts had large General Fund balances in relation to expenditures. For 2004, the ratio of unreserved, undesignated fund balance to expenditures has increased for 13 of the 22 fire districts. Although many districts reserved a portion of their General Fund balance for capital improvements and future years' operations, six still had unreserved fund balances greater than one year's cost of operations. As noted in prior reports, the districts should annually re-evaluate the propriety of their tax levies to ensure that excess revenues are not being received and accumulated.

Based on the pension plan notes in the audit reports, 11 districts with defined benefit plans do not have enough estimated actuarial assets to cover the estimated actuarial liability (pension benefits) in their Pension Fund, resulting in an unfunded liability.

There were large variances between pay ranges in district and city fire department employees. Salaries for district Fire Chiefs ranged from \$66,404 to \$136,401, with eight districts having salaries of \$100,000 or more. Salaries for city Fire Chiefs varied from \$49,433 to \$100,829, with two cities having salaries of \$100,000 or more. District firefighter/paramedics and firefighter salaries ranged from \$25,875 to \$94,959, while cities varied from \$30,454 to \$62,042. Overall salaries significantly vary among fire

YELLOW SHEET

districts and are higher than those paid to city employees.

Some fire protection district budgets are not totally in compliance with state law. Several districts did not have budgets for all funds, did not show comparative statements of revenues and expenditures for the two preceding years, did not include a budget message, or did not include a general budget summary. In addition, budgets did not include beginning and projected ending fund balances. Without this information, the districts can not demonstrate compliance with state law requiring a balanced budget.

Also included in the report are over 60 specific recommendations made by independent auditors to improve the overall management of the fire districts. These recommendations included concerns regarding expenditure procedures, various accounting records and procedures, investments and pensions, fixed assets, pledged securities, unclaimed property, budgets, payroll and employee benefits. Of the 65 recommendations made during the 2003, only 33 were implemented, the remaining recommendations were repeated in the 2004 reports.

All reports are available on our website: www.auditor.mo.gov

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION
DISTRICTS IN ST. LOUIS COUNTY

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STATE AUDITOR'S REPORTS



CLAIRE C. McCASKILL
Missouri State Auditor

Honorable Matt Blunt, Governor
and
Members of the General Assembly
and
Boards of Directors of Fire Protection
Districts in St. Louis County

Fire protection districts in St. Louis County are required by Section 321.690, RSMo, to be audited. We have conducted a review of these independent audits of the fire protection districts in St. Louis County. The objectives of this review were to:

1. Evaluate the impact of, and the districts' compliance with, statutory audit requirements and the State Auditor's regulations on the effectiveness of financial reporting and auditing for fire protection districts in St. Louis County.
2. Notify the various fire protection districts and independent auditors of any specifically identifiable reporting deficiencies that should be considered and corrected in future audit reports.
3. Summarize and evaluate the financial data presented for the various fire districts and any comments for improvements made by the independent auditors.
4. Compare district salaries and pay plans, number of employees, and vehicles with the city fire departments located in St. Louis County.
5. Evaluate the district budgets for 2005 and determine their compliance with Section 67.010, RSMo.

Our review was limited to the specific matters described above and was based on selective procedures considered appropriate in the circumstances. Had we performed additional procedures, other information might have come to our attention that would have been included in this report.

The State Auditor's office has reviewed fire protection districts' audit reports for several years and noted many improvements. It appears that the fire protection districts, on the whole, are working to improve the quality of their financial reporting. Additional objectives (numbers 4 and 5) are new to our report this year with information included in schedules 11 through 14. Comments regarding these objectives and schedules are in the Executive Summary. We solicit from the readers of this report any suggestions for changes or requests for other new information that may benefit those involved with the St. Louis County fire protection districts.

Sincerely,

A handwritten signature in black ink, reading "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" and last name "McCaskill" clearly distinguishable.

Claire C. McCaskill
State Auditor

December 9, 2005 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
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EXECUTIVE SUMMARY

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION
DISTRICTS IN ST. LOUIS COUNTY
EXECUTIVE SUMMARY

Section 321.690, RSMo, requires all fire protection districts with revenues in excess of \$50,000 annually to cause an audit to be performed on a biennial basis. For those districts with annual revenues of less than \$50,000, the State Auditor may exempt the district from the audit requirement, if the appropriate reports are filed.

The Kinloch Fire Protection District failed to comply with this statute and did not have a biennial audit performed for the two years ending December 31, 2004. Based on district records, approximately \$49,900 and \$128,000 in total receipts were received for the years ending December 31, 2004 and 2003, respectively. Total receipts include property tax receipts, federal grants, and miscellaneous fees received by the district.

For those districts for which an audit is required, the district must file a copy of the completed audit report and management letter with the State Auditor within six months after the close of the fiscal year. The audit reports and management letters are reviewed to determine that they are prepared according to guidelines contained within the Code of State Regulations (CSR) (Section 15 CSR 40-4). Any weaknesses noted during the review are communicated to the districts by letter. Should the weaknesses be of a serious enough nature to require the report to be amended, the district is granted a ninety-day period from the date of notification by the State Auditor to correct the report. The State Auditor accepted all 22 reports that were received for the years ended December 31, 2004 and 2003. However, instances of non-compliance including the lack of district responses to recommendations, the lack of follow up to previous recommendations, and the lack of complete and adequate footnote disclosures were still noted. These problems were communicated to the applicable fire protection district auditors. In addition, six districts did not submit copies of engagement letters to the State Auditor as required by 15 CSR 40-4.010.

Nine of the 22 reports for the year ending December 31, 2004, were received after the June 30, 2005, statutory deadline. One of these reports was received on December 5, 2005 (158 days late) and another was received on November 15, 2005 (138 days late.) Three reports for the year ending December 31, 2003, were received after the June 30, 2004, statutory deadline. The following table shows the districts that failed to meet the statutory deadline each year.

<u>District</u>	<u>2004 Report Received</u>	<u>2003 Report Received</u>
Eureka	August 26, 2005	
Florissant Valley	August 29, 2005	
Kinloch	No report received	No report received
Lemay	August 30, 2005	
Maryland Heights	August 29, 2005	
Metro North	December 5, 2005	
Monarch		November 2, 2004
Normandy	November 15, 2005	September 20, 2004
Pattonville/Bridgeton Terrace		July 12, 2004
Riverview	July 13, 2005	
Spanish Lake	August 10, 2005	
West Overland	September 9, 2005	

Districts and auditors indicated that the delinquent reports were, in part, a result of the implementation of Governmental Accounting Standards Board (GASB) 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, which required additional work. While not only required by statute, timely audits also provide information to the board and district taxpayers on the financial status of the district and ways to improve the management of the district. Fire district board members should ensure that audits are completed by the statutory deadline.

In 2004, 18 of 22 districts had increases in their General Fund balances, and the aggregate General Fund balances of all districts increased by 12 percent. Three districts had a voter approved increase in their General Fund tax levies and another 11 districts had slight increases in their tax levy due to decreased assessed valuations and the adjustments for Article X, Section 22 of the Missouri Constitution (commonly referred to as the Hancock Amendment) in 2004.

Since property tax is the main source of revenue, and is received at the end of each year, districts need larger fund balances to provide an adequate cash flow. However, 17 districts have fund balance to expenditures ratios greater than one which indicates the total fund balance is greater than one year's cost of operations (in 2003, 14 districts had ratios greater than one). In addition, although a large number of these districts have reserved or designated a portion of their 2004 fund balances for new firehouses, additional equipment, future years' operations and other uses, six still have unreserved, undesignated fund balances greater than one year's cost of operations (in 2003, four districts had ratios greater than one). This is reflected in the table below.

Fund Balances to Expenditures Ratio

<u>District</u>	<u>2002</u>		<u>2003</u>		<u>2004</u>	
	<u>Total</u>	<u>Unreserved/ Undesignated</u>	<u>Total</u>	<u>Unreserved/ Undesignated</u>	<u>Total</u>	<u>Unreserved/ Undesignated</u>
Affton	1.51	1.22	1.36	1.30	1.44	1.34
Black Jack	1.05	0.94	0.84	0.74	1.23	0.92
Community	1.24	0.44	1.26	0.47	1.30	0.66
Creve Coeur	1.88	1.16	2.30	1.62	2.47	1.57
Eureka	0.82	0.82	0.83	0.83	0.77	0.77
Fenton	1.34	1.25	1.33	1.16	1.58	1.35
Florissant Valley	0.95	0.01	1.04	0.15	2.30	0.84
Lemay	0.86	0.86	0.66	0.66	1.02	1.02
Maryland Heights	2.04	1.13	1.72	0.94	1.96	0.95
Mehlville	0.98	0.76	1.16	0.92	1.42	1.42
Metro North	0.84	0.84	0.88	0.88	0.90	0.90
Metro West	0.80	-0.05	0.90	0.12	0.97	0.03
Mid-County	1.01	1.01	0.90	0.90	0.87	0.87
Monarch	1.17	0.08	0.97	0.13	1.15	1.15
Normandy	1.07	0.12	1.50	0.20	1.29	0.43
Pattonville/Bridgeton						
Terrace	1.27	0.95	1.13	0.75	1.45	0.72
Riverview	1.66	0.42	1.55	0.41	1.42	0.42
Robertson	1.79	0.87	1.63	0.73	1.70	0.90
Spanish Lake	0.98	0.98	0.87	0.87	0.86	0.86
Valley Park	1.18	1.07	1.40	1.20	1.16	0.97
West County EMS	1.40	0.37	1.31	0.30	1.29	0.21
West Overland	1.80	0.84	1.65	0.87	1.83	0.83

During the year ending December 31, 2004, the ratio of unreserved, undesignated fund balance to expenditures has increased for 13 of the 22 fire districts. In addition, three fire districts have had unreserved/undesignated ratios greater than one for the last several years. As noted in previous reports, the districts should annually re-evaluate the propriety of their tax levies to ensure that excess revenues are not being received and accumulated.

Ten of the 22 districts had increases in their Ambulance Fund balances in 2004 resulting in an aggregate increase of approximately 15 percent. Nine districts experienced an increase in their tax levy due to decreased assessed valuations and the adjustments for Article X, Section 22 of the Missouri Constitution (commonly referred to as the Hancock Amendment). While most Ambulance Fund balances appear reasonable, eight districts have fund balances greater than one year's expenditures. Fire protection districts should assess their need for large balances. In addition, Florissant Valley and Maryland Heights Fire Protection Districts had negative balances in the Ambulance Fund. The independent auditor for Maryland Heights has made recommendations in several prior reports regarding the negative balance; however, no recommendation was noted in the Florissant Valley audit report. Maryland Heights Fire Protection District obtained a voter approved tax levy increase to their Ambulance Fund in 2005.

Twelve of the 22 districts had increases in their Dispatching Fund balance in 2004. However, the aggregate increase was less than 1 percent. The aggregate increase in revenues was offset by the increase in dispatching fees paid, resulting in the minimal change in the fund balances. Seven districts had fund balances greater than one year's expenditures. The Eureka and Maryland Heights Fire Protection Districts reduced their tax levies in 2004. In addition, the Mehlville Fire Protection District reduced its dispatching fund tax levy to zero in 2005. Districts should continue to assess their need for large balances.

Revenues of the Fiduciary Funds decreased 27 percent in 2004 despite the fact that nine districts increased their Pension Fund tax levy. Several factors led to the decrease. The accounting presentation for the Monarch Fire Protection District was changed and the monies held in trust for the employees were not presented along with the investment earnings on those funds in 2004. Some districts had large distributions from their pension funds in 2003 causing decreased investment income in 2004. Other districts also had losses in investment earnings. Deductions from such funds decreased by 5 percent, apparently due to reductions in the benefits paid.

Based on the pension plan notes in the audit reports, 11 of the 12 districts with defined benefit plans do not have enough estimated actuarial assets to cover the estimated actuarial liability (pension benefits) in their Pension Fund, resulting in an unfunded liability. The West Overland Fire Protection District has a defined benefit plan but failed to report the funding progress in the audit report notes. The remaining districts have defined contribution plans, in which no liability typically exists above that of the assets accumulated. The table below focuses on the unfunded liabilities of the district's with defined benefit plans.

Defined Benefit Plan Funding Progress

<u>District</u>	<u>Estimated Actuarial Value of Assets</u>	<u>Estimated Actuarial Liability</u>	<u>Estimated Unfunded Liability</u>	<u>Projected Funded Ratio</u>
Afton	\$4,241,547	6,482,133	(2,240,586)	65.4%
Black Jack	4,739,666	7,412,655	(2,672,989)	63.9%
Creve Coeur*	3,864,648	7,804,219	(3,939,571)	49.5%
Eureka	4,437,365	4,751,686	(314,321)	93.4%
Fenton	16,635,685	17,055,644	(419,959)	97.5%
Florissant Valley	6,506,405	12,787,246	(6,280,841)	50.9%
Mehlville*	38,046,481	43,378,524	(5,332,043)	87.7%
Metro West	22,539,751	32,689,199	(10,149,448)	69.0%
Mid-County*	738,785	1,340,837	(602,052)	55.1%
Pattonville/Bridgeton Terrace	12,527,319	17,372,554	(4,845,235)	72.1%
Valley Park	1,817,469	1,832,981	(15,512)	99.2%
West Overland*	**	**	**	**

Note: Information presented for the Pattonville/Bridgeton Terrace is as of January 1, 2004, their last actuarial valuation.

*These districts also have a Defined Contribution Plan.

**Information for West Overland was not included in their audit report.

In 7 of these 11 districts, the funded ratio is less than 80 percent. Even though six of these seven districts have increased their funded ratio from the previous year, it appears many of these districts are having problems adequately funding their liability.

There are 14 districts that have Capital Projects Funds which are funded with proceeds from bonds (see subsequent paragraph), certificates of participation (COPS) [Affton and Mehlville have issuances of COPS] and/or transfers from other district funds. Each district's Capital Projects Fund accounts for these financial resources to be used for the acquisition, construction, and/or renovation of major capital assets. Several districts currently have commitments to purchase or have already purchased fire trucks, ambulances, and other equipment. In addition, several districts have begun to or have plans to renovate their old fire houses or construct new or additional fire houses. The balances in these funds should be considered when analyzing the fund status of the district. Six districts that have total General Fund balance to expenditures ratios greater than one also have Capital Projects Funds with balances of over \$1 million at December 31, 2004.

Seventeen districts have outstanding bond debt. Two of these districts issued general obligation bonds totaling \$1.8 million in 2004. The bond principal and interest payments are to be funded by a dedicated tax. When districts are setting their debt service levies each year, they should ensure amounts available and to be collected are sufficient only to meet necessary obligations. Based on Eureka Fire Protection District's ending balance at December 31, 2004, and their 2005 obligation, it appears their debt service levy is excessive. In addition to the outstanding bond debt, two districts have outstanding certificates of participation (COPS).

Districts realized an increase in land and buildings; however, an overall decrease in the net Capital Assets balances was due to the implementation of GASB 34, which requires districts to report depreciation on capital assets. Since this was the first time that districts were required to report depreciation on capital assets, there is a large decrease in the net Capital Asset balance.

Assessed valuations have decreased slightly (less than 1 percent) from 2003 to 2004. The combined tax levies have increased approximately 6 percent.

Audit fees have slightly increased for most districts during fiscal years 2004 and 2003 with the apparent reason for most of the increase due to the implementation of GASB 34, which required additional work performed by independent auditors.

Fourteen of the 22 districts reported slight increases in the compensation paid to directors for the year ended December 31, 2004; the aggregate increase was approximately 5 percent. Director compensation is based on the number of meetings attended. Apparently, the number of meetings held varies by district.

There are large variances in pay ranges in district and city employees. In addition, the names or titles of various positions differ between districts and cities. Salaries for district Fire Chiefs ranged from \$66,404 to \$136,401, with eight districts having salaries of \$100,000 or more. Salaries for city Fire Chiefs varied from \$49,433 to \$100,829, with two cities having salaries of \$100,000 or more. Approximately 63 percent of district and 67 percent of city employees are

either firefighters or firefighter/paramedics. District firefighter/paramedics and firefighter salaries ranged from \$25,875 to \$94,959, while cities varied from \$30,454 to \$62,042. Overall salaries significantly vary among districts and are higher than those paid to city employees.

Cars, sport utilities, pickups, and vans make up 44 to 46 percent of both district and city vehicles, while fire apparatus, rescue trucks, and brush trucks make up 54 to 56 percent of vehicles. Minor differences were noted between the number and types of vehicles

Budgets are not being completed in compliance with Section 67.010, RSMo. Five districts did not prepare a budget for all funds. Eight of the 22 districts did not show comparative statements of revenues and expenditures for the two preceding years as required and 10 of the 22 districts did not include a budget message describing the important features of the budget and major changes from the previous year. Budgets did not include a general budget summary for 7 of the 22 districts.

Section 67.010, RSMo, requires each political subdivision of the state to prepare annual budgets with specific information. A complete and well-planned budget, in addition to meeting statutory requirements, can serve as a useful management tool by establishing specific cost expectations for each area. A complete budget should include appropriate revenue and expenditure estimates by classification, and include the beginning available resources and reasonable estimates of the ending available resources for all funds. The budget should also include a budget message and a budget summary.

Budgets did not include beginning and projected ending fund balances. For 13 of 22 districts, fund balances were not included in the budgets. In addition, 6 of the 13 districts' budgets indicated expenditures exceeding revenues for one or more funds. Section 67.010, RSMo, states that in no event shall the total budgeted expenditures from any fund exceed the estimated revenues to be received plus any unencumbered balance or less any deficit estimated for the beginning of the budget year. By not including the budgeted beginning and ending fund balances, the districts can not demonstrate compliance with this requirement and can not accurately present the financial position of the districts. In addition, 11 of the 22 audit reports did not include the budgeted fund balances in the budget to actual statements presented.

Some audit reports did not include budget to actual statements for all funds included on the government-wide financial statements. While several reports had budget to actual statements for the Dispatch and Debt Service Funds, others did not.

Independent auditors made specific recommendations to improve the overall management of the fire districts. However, many of the budget comments were not included in audit reports. In total, over 60 recommendations were made to the various districts. Recommendations included concerns regarding expenditure procedures, various accounting records and procedures, investments and pensions, fixed assets, pledged securities, unclaimed property, budgets, payroll and employee benefits, and other various policies and procedures. Of the 65 recommendations made during the 2003 audits, only 49 percent (33) were implemented in 2004. The remaining recommendations were repeated in the 2004 reports. Each fire district should review all of the recommendations and their applicability to their individual district and implement these

recommendations in an efficient and timely manner. Also, consideration should be given by individual districts to have their independent auditor review any areas where risk and citizen concern may be evident.

SCOPE AND METHODOLOGY

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY SCOPE AND METHODOLOGY

Scope

For the two years ended December 31, 2004, there were 23 fire protection districts in St. Louis County. Audit reports were received for 22 districts each year. The Kinloch Fire Protection District failed to comply with Section 321.690, RSMo, and did not have a biennial audit performed for the two years ending December 31, 2004. Based on district records, approximately \$49,900 and \$128,000 in total receipts were received for the years ending December 31, 2004 and 2003, respectively. In 2003, the Chesterfield Fire Protection District was renamed the Monarch Fire Protection District. In 2004, the Moline Fire Protection District was renamed the Metro North Fire Protection District.

Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, established effective dates for the fire districts based on their size. Four fire protection districts implemented GASB 34 in 2003 and the remaining 18 implemented GASB 34 in 2004. As a result of the implementation of GASB 34, the independent audit report format for fire districts changed.

During our review we: 1) considered Section 321.690, RSMo (Appendix A), 15 CSR 40-4 (Appendix B), and audit reports submitted to the State Auditor by the various fire districts for the years ended December 31, 2004 and 2003, 2) reviewed the supporting working papers of various independent auditors' reports for the year ended December 31, 2004 (information contained in the working papers constitutes the principal record of work the auditor has accomplished and provides evidence for conclusions that he has reached concerning significant matters), 3) obtained completed questionnaires from each of the fire protection districts regarding number of employees and salary levels, size of the district, vehicles, and audit fees, 4) obtained completed questionnaires from cities in St Louis County that have a fire department regarding number of employees and salary levels, size of the district, and vehicles, and 5) Obtained copies of the fire protection districts' 2005 budgets and evaluated them against the requirements in Section 67.010, RSMo, and 6) verified dispatching fees paid by the fire protection districts with the service contract providers.

Methodology

We compiled the following schedules to accomplish the objectives of this report:

- Schedule 1 presents revenues, expenditures, and fund balance for the General Funds in a combined format. The General Fund is the general operating fund of the district and is used to account for all resources except those accounted for in other funds.
- Schedule 2 presents revenues, expenditures, and fund balance for the Ambulance Funds in a combined format. This fund is a special revenue fund which is used to account for the

proceeds of a special tax levy which is restricted for ambulance operations. In addition, ambulance fees are charged by 17 of the 18 districts which offer ambulance services.

- Schedule 3 presents revenues, expenditures, and fund balance for the Dispatching Funds in a combined format. This fund is a special revenue fund which is used to account for the proceeds of a special tax levy which is restricted to dispatch operations. This is commonly accomplished by means of a contractual agreement with outside entities which provide dispatching services for several districts.
- Schedule 4 presents additions, deductions, and fund balance for Employee Benefit Funds in a combined format. This fiduciary fund accounts for assets held in trust by the fire district or by an outside agency for the payment of retirement benefits and long-term disability benefits to eligible fire fighters. The funds' primary sources of revenue are property taxes and investment income.
- Schedule 5 presents revenues, expenditures, and fund balance for the Capital Project Funds in a combined format. This fund is used to account for the revenues and expenditures needed to finance the acquisition or construction of capital assets and improvements. The primary sources of revenues for this fund are bond proceeds, certificate of participation proceeds, investment income, and transfers from other funds.
- Schedule 6 presents the operations of the Debt Service Funds for the year ended December 31, 2004 and 2003, the amount of bonds outstanding (principal only), and the debt obligations of the districts for 2005 (principal and interest). This fund is used to account for the accumulation of resources for the payment of general long-term debt principal and interest. The legal debt limit for a fire protection district is five percent of the fire protection district's assessed valuation. The reports submitted show that all fire protection districts with outstanding debt were within their statutory limits.
- Schedule 7 presents the capital asset balances of the districts at December 31, 2004 and 2003. The schedule represents capital assets acquired or constructed for general governmental purposes that are reported as expenditures in the fund that financed the acquisition or construction and capitalized at historical cost or estimated historical cost if actual historical cost is not available.
- Schedule 8 presents the assessed valuations of the individual fire protection districts as well as combined tax levies for each of the districts' various funds as reported in the audit reports for the years ended December 31, 2004 and 2003. For a listing of individual tax levies for districts see report number 2004-102, Review of 2004 Property Tax Rates, and report number 2003-124, Review of 2003 Property Tax Rates.
- Schedule 9 is a listing of the audit fees and the name of the audit firm for each fire protection district for the years ended December 31, 2004 and 2003. This information was obtained from a questionnaire sent to the districts.

- Schedule 10 is a listing of total compensation paid to the fire district directors by each district during the years ended December 31, 2004 and 2003. The independent audit reports included the names of the principal officeholders during the years ended December 31, 2004 and 2003 and the compensation received by each official in the performance of his or her duty as established by Sections 321.190 and 321.603, RSMo. There were instances when more than three names would be listed; however, this was due to a change in the officials serving on the board.

For Schedules 11 thru 13, district and city information is presented based on size. For districts, we based this on several factors combined including the number of square miles covered by the district, the 2004 General Revenue expenditures, the 2004 assessed valuations, and the number of employees. We did the same for cities using the following criteria; the number of square miles covered by the department, the 2004 assessed valuations, and the number of employees in the department. Information in Schedules 11 through 13 was obtained through a questionnaire sent to districts and cities.

- Schedules 11-A and 11-B present district and city salaries and pay levels as of December 31, 2004. Information presented for some districts and departments is actual amounts paid at these levels while for others the amounts represent base pay. In addition to the base pay, these employees may receive longevity pay, overtime pay, and additional benefits.
- Schedules 12-A and 12-B present the number of district and city employees by classification as of December 31, 2004.
- Schedule 13 presents the number and types of district and city vehicles as of December 31, 2004.
- Schedule 14 presents budget compliance with Section 67.010, RSMo, for the 2005 budgets obtained from the districts.
- Schedule 15 is a summary of the various comments contained in the independent auditor's reports on compliance and internal control and in the management letters submitted to the State Auditor for the year ended December 31, 2004. These comments apply to individual fire protection districts unless otherwise noted. These comments extracted from the reports and management letters were not verified by the State Auditor's Office via additional audit procedures for accuracy, validity, or completeness.

Interfund and equity transfers are included in the revenue and expenditure numbers on Schedules 1 through 6. Schedules 1, 2, 3, 5 and 6 represent governmental type funds and are accounted for on the modified accrual basis of accounting. The modified accrual basis recognizes revenues in the period in which they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred. Schedule 4 represents a fiduciary fund and is accounted for on the accrual basis of accounting. The accrual basis recognizes revenues when they are earned and expenses when they are incurred.

Limitations

Some data presented in the schedules was compiled from information submitted by the various fire districts and cities and their independent auditors and was not verified by us via additional audit procedures. In analyzing these schedules, some disparity will result due to the different methods of presenting essentially the same information. Reasons for some problems in comparison are:

- 1) The Pension Fund is presented differently by the fire districts. Ten districts offer defined contribution plans and eight offer defined benefit plans. Three districts offer both types and another offers a defined contribution plan and a supplemental defined benefit plan.

Pension Revenue Funds for Affton, Community, Mehlville, Pattonville/Bridgeton Terrace, Spanish Lake and Valley Park Fire Protection Districts were not included in Schedule 4. These funds are revenue funds which present the pension levy taxes received and the payments to the fiduciary Pension Fund presented in Schedule 4. In two of these districts (Affton and Mehlville) revenues equaled expenditures and no fund balance was presented for this revenue fund; however, the remaining four districts did have fund balances at year end in these funds. Information pertaining to these fire district funds can be obtained from the applicable fire district.

In addition, four districts' (Lemay, Monarch, Normandy, and West County) audit reports do not include monies held in trust for employees in their fiduciary pension funds.

- 2) Some districts may have major bond issues or certificate of participation issues to finance capital improvements or major asset purchases. The proceeds from these monies are placed in a Capital Improvement Fund. Other districts save for these expenditures instead of issuing related debt by transferring monies to a Capital Improvement Fund or reserving the monies in the General Fund.
- 3) Some districts collect user fees and others may not.
- 4) Some districts have significant transfers to and from funds which causes disparity in comparison.
- 5) Some districts have reallocated expenses from the General Fund to the Ambulance Fund in an attempt to more accurately represent the actual use. This has caused increases in General Fund balances and decreases in Ambulance Fund balances.

In addition, the medical self-insurance/benefit funds (internal service funds) of the Eureka, Lemay, and Monarch Fire Protection Districts, and the deferred compensation fund (an agency fund) of the Riverview Fire Protection District have not been presented in the schedules noted

above. Information pertaining to these fire district funds can be obtained from the applicable fire district.

SCHEDULES

Schedule 1

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE -
 GENERAL FUNDS

District	Year Ended December 31,							
	2003				2004			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 3,543,494	3,891,111	3,151,868	4,282,737	0	3,738,939	3,287,704	4,733,972
Black Jack	3,871,415	3,475,885	4,002,588	3,344,712	0	5,373,990	3,907,914	4,810,788
Community	5,462,203	4,739,135	4,512,507	5,688,831	0	5,150,963	4,712,786	6,127,008
Creve Coeur	17,391,079	7,105,253	7,433,748	17,062,584	0	7,111,046	6,969,375	17,204,255
Eureka	1,451,999	1,861,046	1,810,667	1,502,378	0	1,979,556	1,972,180	1,509,754
Fenton	4,803,695	4,525,004	4,001,804	5,326,895	0	5,576,322	4,231,591	6,671,626
Florissant Valley	4,831,722	4,549,721	4,607,728	4,773,715	0	5,369,867	3,077,444	7,066,138
Lemay	1,152,232	1,578,161	1,645,168	1,085,225	0	1,405,395	1,231,275	1,259,345
Maryland Heights	10,327,324	4,637,127	5,505,312	9,459,139	0	4,961,637	4,876,864	9,543,912
Mehlville	11,212,468	10,296,937	9,963,583	11,545,822	921,210	13,011,471	10,517,789	14,960,714
Metro North	1,204,097	1,389,595	1,382,094	1,211,598	0	1,511,524	1,433,026	1,290,096
Metro West	6,408,647	8,883,097	8,068,545	7,223,199	62,118	8,160,815	7,860,254	7,585,878
Mid-County	1,848,996	1,846,247	1,941,058	1,754,185	0	1,955,418	1,983,276	1,726,327
Monarch	11,061,334	8,094,922	9,839,494	9,316,762	0	9,721,502	8,850,215	10,188,049
Normandy	2,272,026	2,793,296	2,022,804	3,042,518	0	2,482,733	2,417,120	3,108,131
Pattonville/Bridgeton Terrace	6,750,937	7,154,871	6,516,007	7,389,801	0	8,076,857	6,300,622	9,166,036
Riverview	2,579,584	1,714,317	1,684,308	2,609,593	0	1,794,674	1,817,779	2,586,488
Robertson	4,869,040	2,445,524	2,785,842	4,528,722	0	3,835,890	3,094,242	5,270,370
Spanish Lake	2,019,339	1,946,446	2,115,619	1,850,166	0	2,397,665	2,285,658	1,962,173
Valley Park	1,770,430	1,268,881	1,266,092	1,773,219	0	1,635,711	1,581,093	1,827,837
West County EMS	7,194,217	4,757,943	5,174,225	6,777,935	25,564	4,978,933	5,143,688	6,638,744
West Overland	2,294,871	1,142,421	1,296,676	2,140,616	0	1,456,965	1,272,315	2,325,266
Total	\$ 114,321,149	90,096,940	90,727,737	113,690,352	1,008,892	101,687,873	88,824,210	127,562,907

* Prior period adjustments made by the CPA firms.

Schedule 2

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE
 SPECIAL REVENUE FUNDS-AMBULANCE

District	Year Ended December 31,							
	2003				2004			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 1,730,362	1,198,708	1,171,822	1,757,248	0	1,302,013	1,124,148	1,935,113
Black Jack	0	0	0	0	0	0	0	0
Community	1,633,609	1,314,001	1,291,847	1,655,763	0	1,396,167	1,576,092	1,475,838
Creve Coeur	68,608	4,120,711	4,189,319	0	0	4,053,977	4,053,977	0
Eureka	742,001	1,087,847	1,095,781	734,067	0	1,227,039	1,223,741	737,365
Fenton	1,862,452	2,663,205	2,217,124	2,308,533	0	3,147,402	2,438,309	3,017,626
Florissant Valley	44,072	2,036,124	2,381,178	(300,982)	0	4,042,530	4,170,944	(429,396)
Lemay	526,151	664,206	613,687	576,670	0	607,955	751,724	432,901
Maryland Heights	(890,484)	1,509,366	1,442,534	(823,652)	0	1,377,479	1,410,042	(856,215)
Mehlville	2,789,303	5,705,292	4,867,821	3,626,774	387,204	6,103,458	4,807,426	5,310,010
Metro North	0	0	0	0	0	0	0	0
Metro West	3,643,902	4,548,787	3,823,703	4,368,986	111,824	4,283,461	3,796,206	4,968,065
Mid-County	0	188,776	188,776	0	0	205,927	205,927	0
Monarch	6,040,526	4,841,002	5,263,450	5,618,078	0	5,823,296	5,236,492	6,204,882
Normandy	633,741	773,993	789,090	618,644	0	736,339	961,237	393,746
Pattonville/Bridgeton Terrace	2,271,956	1,901,539	1,764,804	2,408,691	0	2,226,015	1,770,824	2,863,882
Riverview	0	0	0	0	0	0	0	0
Robertson	425,068	1,168,151	1,751,630	(158,411)	0	2,014,462	1,552,964	303,087
Spanish Lake	0	0	0	0	0	0	0	0
Valley Park	711,650	569,184	585,739	695,095	0	601,403	599,356	697,142
West County EMS	2,910,239	2,132,468	2,278,002	2,764,705	24,392	2,196,436	2,201,220	2,784,313
West Overland	285,232	514,500	659,536	140,196	0	639,285	776,506	2,975
Total	\$ 25,428,388	36,937,860	36,375,843	25,990,405	523,420	41,984,644	38,657,135	29,841,334

* Prior period adjustments made by the CPA firms.

Schedule 3

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARTIVE SCHEDULE OF REVENUES, EXPENDITURES, AND FUND BALANCE-
 SPECIAL REVENUE FUNDS-DISPATCHING

District	Year Ended December 31,							
	2003				2004			
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Adjustments *	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 114,713	118,448	122,972	110,189	0	125,627	129,979	105,837
Black Jack	0	178,433	178,433	0	0	216,739	216,739	0
Community	11	137,477	101,276	36,212	0	149,248	169,249	16,211
Creve Coeur	48,506	542,916	542,916	48,506	0	538,836	538,836	48,506
Eureka	0	72,192	72,192	0	0	87,744	33,824	53,920
Fenton	493,774	327,862	338,193	483,443	0	364,843	327,932	520,354
Florissant Valley	224,502	316,211	281,931	258,782	0	375,320	320,354	313,748
Lemay	22,937	74,400	49,125	48,212	0	69,442	50,647	67,007
Maryland Heights	169,996	566,314	310,785	425,525	(284,509)	289,750	197,617	233,149
Mehlville	1,133,962	828,478	571,572	1,390,868	0	810,169	594,843	1,606,194
Metro North	0	33,631	33,631	0	0	31,329	31,329	0
Metro West	597,640	544,652	665,895	476,397	26,874	725,899	890,617	338,553
Mid-County	18,556	51,677	56,298	13,935	0	53,079	47,897	19,117
Monarch	822,363	709,092	739,527	791,928	0	859,429	805,745	845,612
Normandy	0	72,328	72,328	0	0	65,095	66,118	(1,023)
Pattonville/Bridgeton Terrace	233,005	264,443	337,442	160,006	0	303,449	443,283	20,172
Riverview	0	46,697	46,697	0	0	47,568	47,568	0
Robertson	60,391	99,527	128,262	31,656	0	160,578	157,546	34,688
Spanish Lake	50,116	72,299	56,408	66,007	0	84,754	82,132	68,629
Valley Park	49,173	55,464	63,415	41,222	0	59,517	57,657	43,082
West County EMS	205,868	280,925	176,687	310,106	0	331,134	325,005	316,235
West Overland	41,247	76,313	42,784	74,776	0	100,585	84,532	90,829
Total	\$ 4,286,760	5,469,779	4,988,769	4,767,770	(257,635)	5,850,134	5,619,449	4,740,820

* Prior period adjustments made by the CPA firms.

Schedule 4

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF ADDITIONS, DEDUCTIONS, AND FUND BALANCE-
FIDUCIARY FUNDS (EMPLOYEE BENEFIT FUNDS)

District	Year Ended December 31,							
	2003				2004			
	Beginning Fund Balance	Additions	Deductions	Ending Fund Balance	Adjustments *	Additions	Deductions	Ending Fund Balance
Affton ***	\$ 3,333,855	823,052	121,187	4,035,720	0	446,868	140,592	4,341,996
Black Jack	3,314,643	1,098,916	257,042	4,156,517	0	945,935	276,277	4,826,175
Community ***	5,314,831	2,063,718	61,670	7,316,879	0	1,872,134	255,715	8,933,298
Creve Coeur	16,687,447	4,052,717	1,303,799	19,436,365	0	2,677,472	457,295	21,656,542
Eureka	3,541,049	727,942	43,121	4,225,870	0	674,762	66,960	4,833,672
Fenton	14,534,443	2,204,453	1,459,128	15,279,768	0	2,217,221	1,097,671	16,399,318
Florissant Valley	5,909,050	1,094,412	1,107,816	5,895,646	0	1,327,617	15,571	7,207,692
Lemay **	138,437	152,187	146,724	143,900	0	140,794	144,363	140,331
Maryland Heights	8,638,849	2,656,624	741,008	10,554,465	284,509	1,998,993	104,525	12,733,442
Mehlville ***	31,327,846	8,396,912	1,918,018	37,806,740	0	4,909,645	3,681,598	39,034,787
Metro North	3,020,091	395,578	13,912	3,401,757	0	437,943	19,036	3,820,664
Metro West	17,406,905	3,440,444	586,745	20,260,604	70,227	2,961,551	735,974	22,556,408
Mid-County	913,209	228,611	4,724	1,137,096	0	198,016	144,353	1,190,759
Monarch **	13,668,005	4,855,474	2,493,199	16,030,280	(16,030,280)	1,880,776	1,880,776	0
Normandy **	218,195	181,493	191,597	208,091	0	162,762	169,380	201,473
Pattonville/Bridgeton Terrace ***	10,141,614	3,344,155	158,262	13,327,507	(753,406)	3,082,397	693,227	14,963,271
Riverview	1,718,487	806,154	74,106	2,450,535	0	531,400	20,130	2,961,805
Robertson	3,901,943	1,623,210	92,047	5,433,106	0	1,296,406	3,201	6,726,311
Spanish Lake ***	3,902,311	884,154	57,985	4,728,480	62,820	574,992	311,481	5,054,811
Valley Park ***	1,563,428	307,174	19,624	1,850,978	0	341,021	17,171	2,174,828
West County EMS**	383,199	785,530	775,561	393,168	48,096	735,331	797,637	378,958
West Overland	4,227,501	1,068,479	106,611	5,189,369	0	709,163	122,957	5,775,575
Total	\$ 153,805,338	41,191,389	11,733,886	183,262,841	(16,318,034)	30,123,199	11,155,890	185,912,116

* Prior period adjustments made by the CPA firms.

** Monies held for employees are not included in the financial statements.

*** Districts have a Pension Revenue Fund that is not included on this schedule.

Schedule 5

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARATIVE SCHEDULE OF REVENUES, EXPENSES, AND FUND BALANCE-
 CAPITAL PROJECT FUNDS

District	Year Ended December 31,						
	2003				2004		
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance
Affton	\$ 6,620,325	75,504	2,769,416	3,926,413	27,990	2,387,852	1,566,551
Black Jack	4,277,878	4,066,783	509,751	7,834,910	85,206	1,240,553	6,679,563
Community	4,836,271	5,056,651	555,102	9,337,820	129,545	1,136,610	8,330,755
Creve Coeur	0	0	0	0	0	0	0
Eureka	1,247,618	8,109	1,083,030	172,697	3,124	129,359	46,462
Fenton	0	0	0	0	0	0	0
Florissant Valley	4,870,280	46,889	617,284	4,299,885	34,766	1,626,643	2,708,008
Lemay	0	0	0	0	0	0	0
Maryland Heights	0	0	0	0	0	0	0
Mehlville	0	0	0	0	0	0	0
Metro North	155,684	788	65,344	91,128	344	6,170	85,302
Metro West	2,114,399	7,388,533	2,248,816	7,254,116	167,309	1,026,525	6,394,900
Mid-County	3,885,586	31,370	1,204,228	2,712,728	1,029,697	2,595,588	1,146,837
Monarch	16,256	237	0	16,493	4,347,953	72,836	4,291,610
Normandy	0	0	0	0	0	0	0
Pattonville/Bridgeton Terrace	0	0	0	0	0	0	0
Riverview	624,008	2,261	377,763	248,506	1,798	73,628	176,676
Robertson	1,103,510	197,027	420,719	879,818	9,096	30,449	858,465
Spanish Lake	938,992	2,922	526,964	414,950	360	96,728	318,582
Valley Park	0	0	0	0	0	0	0
West County EMS	6,864,985	2,057,257	4,018,077	4,904,165	42,107	2,030,368	2,915,904
West Overland	1,981,629	18,835	222,995	1,777,469	808,352	628,801	1,957,020
Total	\$ 39,537,421	18,953,166	14,619,489	43,871,098	6,687,647	13,082,110	37,476,635

Schedule 6

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 SCHEDULE OF REVENUES, EXPENDITURES, FUND BALANCE, AND BOND OBLIGATIONS-
 DEBT SERVICE FUNDS

District	Year Ended December 31,							Outstanding	
	2003				2004			2005	December 31, 2004
	Beginning Fund Balance	Revenues	Expenditures	Ending Fund Balance	Revenues	Expenditures	Ending Fund Balance	Obligations	
Affton*	\$ 0	0	0	0	0	0	0	0	0
Black Jack	917,506	958,278	660,426	1,215,358	706,776	614,021	1,308,113	613,756	8,275,000
Community	1,079,019	1,116,960	777,478	1,418,501	756,535	763,869	1,411,167	693,919	9,025,000
Creve Coeur	0	0	0	0	0	0	0	0	0
Eureka	477,564	386,173	267,812	595,925	395,359	267,903	723,381	272,306	2,885,000
Fenton	0	0	0	0	0	0	0	0	0
Florissant Valley	1,056,437	538,805	922,141	673,101	386,254	377,838	681,517	294,363	4,025,000
Lemay	271,929	172,323	155,986	288,266	127,106	158,182	257,190	159,069	300,000
Maryland Heights	0	0	0	0	0	0	0	0	0
Mehlville*	0	0	0	0	0	0	0	0	0
Metro North	124,604	60,342	64,690	120,256	57,336	63,856	113,736	62,530	410,000
Metro West	0	1,216,593	104,928	1,111,665	1,357,848	831,181	1,638,332	831,940	6,710,000
Mid-County	474,408	447,163	417,063	504,508	630,848	281,428	853,928	413,026	4,625,000
Monarch	761,230	1,366,111	425,831	1,701,510	839,188	1,875,269	665,429	581,032	4,300,000
Normandy	91,700	108,954	70,839	129,815	13,372	70,102	73,085	68,250	65,000
Pattonville/Bridgeton Terrace	438,164	17,729	356,797	99,096	64,009	72,588	90,517	70,688	950,000
Riverview	205,731	174,525	129,345	250,911	181,574	129,960	302,525	129,993	755,000
Robertson	594,815	257,659	344,352	508,122	570,622	356,932	721,812	346,150	2,900,000
Spanish Lake	372,565	485,082	299,608	558,039	379,446	300,731	636,754	301,860	2,475,000
Valley Park	143,507	73,124	71,813	144,818	80,231	73,879	151,170	75,211	210,000
West County EMS	1,303,441	938,016	809,825	1,431,632	1,101,105	835,505	1,697,232	855,006	10,825,000
West Overland	8	386,988	0	386,996	592,743	217,109	762,630	332,959	2,700,000
Total	\$ 8,312,628	8,704,825	5,878,934	11,138,519	8,240,352	7,290,353	12,088,518	6,102,058	61,435,000

* In addition to the bond obligations listed above, the Affton and Mehlville Fire Protection Districts have issued certificates of participation (COPS). As of December 31, 2004, Affton's outstanding COPS balance was \$6,375,000, with a 2005 obligation of \$529,799. Mehlville's outstanding COPS balance and 2005 obligation was \$3,160,000 and \$306,797, respectively.

Schedule 7

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF CAPITAL ASSETS

District	December 31, 2004				December 31, 2003			
	Land and Buildings	Furniture and Equipment	Less Accumulated Depreciation	Total	Land and Buildings	Furniture and Equipment	Less Accumulated Depreciation	Total
Affton	\$ 5,286,461	1,403,823	1,223,022	5,467,262	3,145,705	1,366,074	0	4,511,779
Black Jack	1,978,782	1,956,588	1,061,811	2,873,559	928,381	2,276,758	1,266,186	1,938,953
Community	1,615,756	2,020,405	1,739,374	1,896,787	525,908	2,002,302	0	2,528,210
Creve Coeur	9,838,592	3,225,594	2,668,188	10,395,998	9,838,592	2,792,771	2,310,394	10,320,969
Eureka	2,612,440	2,621,093	2,604,724	2,628,809	4,529,630	3,294,429	0	7,824,059
Fenton	3,735,537	2,713,515	2,866,598	3,582,454	3,827,543	2,725,142	0	6,552,685
Florissant Valley	871,103	3,211,124	1,433,839	2,648,388	1,859,545	2,825,831	0	4,685,376
Lemay	1,809,195	888,966	1,126,515	1,571,646	1,783,448	1,013,436	0	2,796,884
Maryland Heights	3,896,115	2,833,306	3,536,455	3,192,966	3,548,051	3,796,528	0	7,344,579
Mehlville	7,822,571	5,951,567	5,512,500	8,261,638	7,704,791	6,042,435	5,117,508	8,629,718
Metro North	203,997	732,597	427,520	509,074	207,631	1,121,288	0	1,328,919
Metro West	7,285,528	5,807,280	4,768,445	8,324,363	6,710,452	5,616,378	4,338,091	7,988,739
Mid-County	3,238,461	1,296,953	681,184	3,854,230	920,093	1,890,105	0	2,810,198
Monarch	11,451,238	6,255,059	7,098,972	10,607,325	11,382,665	6,328,101	6,514,322	11,196,444
Normandy	767,546	1,563,360	1,017,876	1,313,030	767,546	1,884,923	0	2,652,469
Pattonville/Bridgeton Terrace	3,368,033	2,755,926	2,820,081	3,303,878	3,368,033	2,674,571	0	6,042,604
Riverview	1,206,198	1,340,608	1,812,845	733,961	1,169,587	1,273,201	0	2,442,788
Robertson	2,636,987	2,284,982	1,492,837	3,429,132	3,114,947	2,542,959	0	5,657,906
Spanish Lake	2,198,582	1,461,692	792,503	2,867,771	2,190,691	1,745,239	0	3,935,930
Valley Park	1,454,247	1,685,829	1,567,435	1,572,641	1,152,995	1,636,401	0	2,789,396
West County EMS	6,736,288	4,341,280	2,523,764	8,553,804	5,146,701	5,206,758	0	10,353,459
West Overland	1,200,943	3,211,124	1,134,032	3,278,035	318,518	1,251,788	0	1,570,306
Total	\$ 81,214,600	59,562,671	49,910,520	90,866,751	74,141,453	61,307,418	19,546,501	115,902,370

Schedule 8

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARATIVE SCHEDULE OF ASSESSED VALUATION AND COMBINED TAX LEVIES
 YEARS ENDED DECEMBER 31, 2004 AND 2003

District	Assessed Valuation		Combined Tax Levy per \$100 of Assessed Valuation							
			Residential		Agricultural		Commercial		Personal Property	
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
Afton	\$ 422,433,234	425,735,680	1.0390	1.0200	1.5640	1.0640	1.4690	1.0600	1.4320	1.0670
Black Jack	487,892,862	487,768,518	1.2360	1.0650	1.2450	1.0750	1.2450	1.0750	1.2450	1.0750
Community	504,212,566	494,956,942	1.5110	1.6300	0.1310	0.2500	1.5110	1.6300	1.5110	1.6300
Creve Coeur	1,107,498,621	1,115,700,726	0.7940	0.9520	1.0770	1.0830	1.0130	1.0130	1.0540	1.0540
Eureka	270,936,248	261,235,340	1.2500	1.2320	1.2500	1.3300	1.2500	1.2810	1.2500	1.2810
Fenton	856,280,574	892,118,768	0.7700	0.7700	1.0030	0.7700	0.9390	0.8580	0.9470	0.9470
Florissant Valley	697,646,340	702,143,514	1.3270	1.0480	1.3850	1.1270	1.3750	1.0690	1.3520	1.0940
Lemay	148,783,355	147,105,431	1.4370	1.3980	1.4370	1.5020	1.4370	1.4260	1.4370	1.4510
Maryland Heights	561,551,419	573,017,428	1.0900	1.0690	1.1220	1.1300	1.0880	1.0590	1.0980	1.0960
Mehlville	1,872,122,159	1,842,290,688	0.8880	0.8480	1.1910	1.1500	0.9480	0.8810	0.9230	0.8840
Metro North	111,046,301	112,185,284	1.7783	1.4242	0.4040	0.0500	1.7668	1.4103	1.8240	1.4700
Metro West	1,315,351,833	1,354,253,319	1.0660	1.0670	1.2020	1.2090	1.1480	1.1280	1.0980	1.1050
Mid-County	118,505,334	121,210,252	2.1180	2.0030	2.1180	0.3730	2.1180	2.0030	2.1180	2.0030
Monarch	1,599,061,165	1,592,117,370	1.0030	1.0510	1.2200	1.2770	1.0990	1.1150	1.0670	1.1240
Normandy	181,221,802	175,917,208	1.9480	1.9800	1.9480	1.9800	1.9480	1.9800	1.9480	1.9800
Pattonville/Bridgeton Terrace	666,129,262	668,088,391	1.4320	1.4120	1.4320	1.4230	1.4320	1.4220	1.4320	1.4230
Riverview	126,413,271	128,192,993	1.8870	1.9032	1.8860	1.9032	1.8870	1.9032	1.8870	1.9032
Robertson	339,063,841	310,621,208	1.7730	1.6550	1.7730	1.6550	1.7730	1.6550	1.7730	1.6550
Spanish Lake	159,043,023	162,314,062	1.6390	1.7626	1.6359	1.7783	1.4798	1.7960	1.6410	1.7960
Valley Park	199,151,417	205,103,626	1.2400	1.1207	1.3500	1.1207	1.3500	1.1207	1.3500	1.1207
West County EMS	591,727,243	606,344,145	0.9540	0.9280	0.9680	0.9670	0.9820	0.9490	0.9500	0.9500
West Overland	163,270,667	166,981,097	1.4600	1.4300	0.0000	0.2700	1.4600	1.4300	1.4600	1.4300

Schedule 9

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF FEES FOR AUDIT SERVICES

District	2004 Audit Firm	2004 Audit Fees	2003 Audit Fees
Afton	Hochschild, Bloom & Co.	\$ 7,200	7,000
Black Jack	Bergman Schraier & Co.	11,200	9,000
Community	Westerheide & Company	14,500	10,000
Creve Coeur	Bergman Schraier & Co.	13,500	15,200
Eureka	McCoy & Associates	7,000	4,775
Fenton	Ahrens & Hoelscher	7,000	7,300
Florissant Valley	McCoy & Associates	13,200	5,850
Lemay	Sailor, Khan & Co.	4,250	3,900
Maryland Heights	McCoy & Associates	6,000	6,000
Mehlville	Hochschild, Bloom & Co.	12,500	14,300
Metro North	McCoy & Associates	5,075	4,775
Metro West*	Hochschild, Bloom & Co.	7,200	20,000
Mid-County	Botz, Deal & Co.	5,700	5,425
Monarch**	Hochschild, Bloom & Co.	12,456	16,220
Normandy	McCoy & Associates	7,000	6,800
Pattonville/Bridgeton Terrace	Schowalter & Jabouri, P.C.	26,399	22,741
Riverview	Don Blair, CPA	2,300	2,300
Robertson	Botz, Deal & Co.	6,400	5,900
Spanish Lake	Kerber, Eck & Braeckel	9,000	6,300
Valley Park	Ahrens & Hoelscher	6,800	6,800
West County EMS	Schowalter & Jabouri, P.C.	15,360	15,675
West Overland	McCoy & Associates	5,800	4,800

*In 2003 the audit was performed by Schowalter & Jabouri, P.C.

**In 2003 the audit was performed by McCoy & Associates.

Schedule 10

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF COMPENSATION PAID TO DIRECTORS BY DISTRICT

District	2004	2003
Affton	\$ 20,800	18,383
Black Jack	27,200	27,200
Community	32,000	30,300
Creve Coeur	30,167	25,942
Eureka	7,000	7,000
Fenton	13,800	14,500
Florissant Valley	25,050	28,350
Lemay	26,600	25,550
Maryland Heights	27,183	23,467
Mehlville	17,000	12,204
Metro North	30,800	29,883
Metro West	18,000	13,549
Mid-County	26,200	25,550
Monarch	25,535	23,566
Normandy	27,220	29,915
Pattonville/Bridgeton Terrace	32,000	30,800
Riverview	24,600	22,467
Robertson	31,060	27,200
Spanish Lake	32,000	32,000
Valley Park	15,900	16,100
West County EMS	31,558	32,000
West Overland	29,937	27,200

Schedule 11-A

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF DISTRICT SALARIES AND PAY LEVELS
AS OF DECEMBER 31, 2004

District	Chief	Assistant Chief	Deputy Chief	Fire Marshal①	Fire Inspector	Battalion Chief	Captain②	Lieutenant	Firefighter/ Paramedic③	Firefighter④
Mehlville	\$ 121,835	100,376	89,021 to 90,685	87,109	58,449 to 59,552	0	75,976 to 78,129	75,970 to 78,092	71,228 to 73,949	61,593 to 74,630
Monarch	109,958	94,155	89,473	79,138 to 87,902	73,368	87,902	79,138	0	73,386	0
Metro West	115,000	105,928	98,276	0	47,237 to 59,806	93,139 to 97,139	41,049 to 84,956	78,936	60,204 to 71,648	67,478 to 69,687
Creve Coeur	136,401	133,761	124,763 to 127,731	116,924 to 122,784	101,437 to 107,968	103,310 to 112,535	85,314 to 96,335	0	0	58,492 to 89,577
Pattonville/ Bridgeton Terrace	104,770	89,648	97,656	0	0	65,520 to 67,850	58,635 to 83,346	0	36,712 to 58,490	52,395 to 60,590
Fenton	104,720	89,708	86,117 to 88,388	0	41,014	0	76,314 to 80,598	0	65,233 to 70,859	64,812 to 68,481
West County EMS	98,620	0	0	99,939	49,748	71,499 to 98,100	81,634 to 104,578	88,734 to 102,084	43,738 to 94,015	59,294 to 94,959
Florissant Valley	90,401	0	79,368	79,368	0	0	71,383	0	0	45,619 to 66,883
Maryland Heights	105,000	0	89,561 to 94,688	93,691	49,987	0	53,164	0	41,600 to 54,517	46,176 to 53,165
Community	94,048	94,400	0	95,195	0	81,100 to 88,474	78,004 to 88,044	0	38,811 to 90,370	70,811 to 89,792
Black Jack	97,800	0	0	0	0	95,595 to 107,622	81,913 to 92,989	0	0	25,875 to 84,272

District	Chief	Assistant Chief	Deputy Chief	Fire Marshal①	Fire Inspector	Battalion Chief	Captain②	Lieutenant	Firefighter/ Paramedic③	Firefighter④
Eureka	69,435	64,905	59,546	59,546	35,048	54,630	50,119	0	45,981	0
Robertson	101,885	100,108	0	97,195	0	83,240 to 83,990	76,208 to 93,857	74,728 to 75,786	56,278 to 73,906	73,222 to 76,985
Affton	82,992	76,502	0	0	0	0	44,512 to 47,050	43,638	42,702	42,702 to 44,283
Spanish Lake	74,461	72,641	0	0	0	0	55,474	0	0	50,506
Normandy	80,000	0	78,246	0	0	0	55,103	0	51,287	48,947
Valley Park	66,404	59,332	55,120	0	0	0	49,868 to 50,960	0	47,060 to 49,868	26,000 to 47,060
Riverview	74,500	63,000	0	0	0	0	53,000 to 56,000	0	0	31,500 to 51,500
West Overland	82,150	79,065	0	0	0	0	72,119	68,055	66,617	0
Mid-County	83,460	0	49,358	0	0	0	41,434 to 42,931	0	38,418 to 39,458	37,960
Lemay	84,674	0	0	0	0	0	39,707 to 39,582	37,794 to 40,061	0	36,795 to 37,461
Metro North	83,720	68,710	0	0	0	0	63,807	0	0	59,920 to 60,458

①Includes Fire Marshal and Deputy Fire Marshal.

②Includes Captains, Medical Officers, and Captain/Paramedics.

③Includes Paramedics, Engineer/Paramedics, and Paramedic/Firefighters.

④Includes Firefighters, Privates, Firefighter/Engineers, Engineers, and Firefighter/Drivers.

Schedule 11-B

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF CITY SALARIES AND PAY LEVELS
AS OF DECEMBER 31, 2004

District	Chief	Assistant Chief	Deputy Chief	Fire Marshal	Fire Inspector	Battalion Chief	Captain①	Lieutenant	Firefighter/ Paramedic②	Firefighter③
Kirkwood	\$ 100,000	78,053	0	65,399	0	0	58,122 to 74,869	0	43,996 to 57,054	55,780 to 62,042
University City	76,140 to 88,920	69,384 to 77,100	66,708 to 74,112	0	0	61,620 to 67,872	50,892 to 63,480	0	46,944 to 54,972	42,120 to 49,776
Ladue	79,000 to 95,000	70,000 to 80,000	0	0	0	0	66,855 to 70,345	60,584 to 63,732	43,411 to 59,206	43,411 to 56,134
Webster Groves	85,001	77,088	0	0	0	69,807	42,868 to 62,660	0	42,868 to 59,677	43,235 to 55,176
Hazelwood	81,117	72,095	0	61,069	0	65,871 to 69,060	61,069	0	45,457 to 57,372	53,440 to 57,372
Clayton	83,970	82,056	0	0	0	72,284 to 75,794	63,278 to 65,171	0	43,622 to 59,084	51,339 to 57,867
Berkeley	63,241	0	0	0	0	50,089 to 58,531	41,464 to 48,452	0	32,645 to 42,028	30,454
Des Peres④										
Crestwood	72,101	62,028	0	0	0	0	61,480 to 66,906	49,220 to 50,645	44,803 to 55,805	43,688 to 49,265
Ferguson	54,850 to 75,525	50,989 to 73,732	0	0	0	49,824 to 68,578	40,826 to 56,202	0	33,808 to 48,863	0
Richmond Heights	81,155	0	0	0	0	73,041	65,650	0	45,924 to 56,684	0

District	Chief	Assistant Chief	Deputy Chief	Fire Marshal	Fire Inspector	Battalion Chief	Captain①	Lieutenant	Firefighter/ Paramedic②	Firefighter③
Frontenac	93,360	73,641	0	0	0	0	62,601	0	0	55,232
Olivette	83,491	0	0	0	0	67,487 to 67,780	62,633 to 64,032	0	46,488 to 56,778	58,228
Brentwood	100,829	80,559	69,590	0	0	0	64,995 to 69,590	63,120	61,900	60,115
Jennings	49,433 to 55,978	0	0	0	0	0	36,803 to 41,366	0	0	34,112 to 38,250
Maplewood	0	67,788	0	0	0	0	67,298	59,620 to 63,340	39,897 to 57,930	0
Shrewsbury	85,987	0	0	0	0	0	52,790 to 54,820	0	39,593 to 51,562	39,593
Glendale	69,523	71,077	0	0	0	0	58,073 to 65,449	53,592 to 57,681	0	50,435 to 52,297
Rock Hill	67,921	52,259	0	0		0	47,664 to 48,741	0	35,174 to 43,360	0

①Includes Captain/Paramedics and Captains.

②Includes Paramedics, Engineer/Paramedics, Medical Officers, and Paramedic/Firefighters.

③Includes Firefighters, Firefighter/Inspectors, Firefighter/Medic Officers, Fire Engineers, and Firefighter/Equipment Specialists.

④The city combined it's fire and police department staff, which does not make the salaries comparable to other cities.

Schedule 12-A

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF EMPLOYEES BY DISTRICT
AS OF DECEMBER 31, 2004

District	Chief	Assistant Chief	Deputy Chief	Fire Marshal①	Fire Inspector	Battalion Chief	Captain②	Lieutenant	Firefighter/ Paramedic③	Firefighter④	Non Firefighting Staff	Total
Mehlville	1	2	4	1	2	0	28	15	17	58	9	137
Monarch	1	1	1	2	4	3	21	0	78	0	9	120
Metro West	1	2	1	0	4	3	18	6	52	8	5	100
Creve Coeur	1	1	2	2	2	3	15	0	0	30	3	59
Pattonville/Bridgeton Terrace	1	1	1	0	0	3	10	0	16	27	5	64
Fenton	1	1	3	0	1	0	12	0	12	30	4	64
West County EMS	1	0	0	1	1	3	9	3	27	18	2	65
Florissant Valley	1	0	3	1	0	0	10	0	0	46	1	62
Maryland Heights	1	0	2	1	1	0	6	0	23	17	1	52
Community	1	1	0	1	0	5	9	0	16	24	1	58
Black Jack	1	0	0	0	0	3	9	0	0	23	1	37
Eureka⑤	1	1	1	1	1	3	6	0	19	0	6	39
Robertson	1	1	0	1	0	3	4	3	18	4	1	36
Afton	1	1	0	0	0	0	10	2	9	12	1	36
Spanish Lake	1	1	0	0	0	0	6	0	0	15	1	24
Normandy	1	0	3	0	0	0	3	0	13	6	0	26
Valley Park	1	1	1	0	0	0	5	0	9	6	1	24
Riverview	1	1	0	0	0	0	6	0	0	15	0	23
West Overland	1	1	0	0	0	0	4	3	11	0	0	20
Mid-County	1	0	1	0	0	0	6	0	8	3	1	20
Lemay	1	0	0	0	0	0	3	5	0	12	1	22
Metro North	1	1	0	0	0	0	2	0	0	9	0	13

①Includes Fire Marshal and Deputy Fire Marshal.

②Includes Captains, Medical Officers, and Captain/Paramedics.

③Includes Paramedics, Engineer/Paramedics, and Paramedic/Firefighters.

④Includes Firefighters, Privates, Firefighter/Engineers, Engineers, and Firefighter/Drivers.

⑤In addition, the district has 80 volunteer firefighters, EMTs, and EMT-Paramedics.

Schedule 12-B

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
COMPARATIVE SCHEDULE OF EMPLOYEES BY CITY
AS OF DECEMBER 31, 2004

District	Assistant		Deputy Chief	Fire Marshal	Fire Inspector	Battalion Chief	Captain①	Lieutenant	Firefighter/ Paramedic②		Firefighter③	Non	Total
	Chief	Chief										Firefighting Staff	
Kirkwood	1	1	0	1	0	0	9	0	24	9	9	1	46
University City	1	1	1	0	0	3	9	0	28	5	5	0	48
Ladue	1	1	0	0	0	0	7	2	17	4	4	0	32
Webster Groves	1	1	0	0	0	3	6	0	21	6	6	0	38
Hazelwood	1	1	0	1	0	3	3	0	12	12	12	0	33
Clayton	1	1	0	0	0	3	6	0	19	5	5	0	35
Berkeley	1	0	0	0	0	3	6	0	16	2	2	1	29
Des Peres④													
Crestwood	1	1	0	0	0	0	6	3	8	7	7	0	26
Ferguson	0	1	0	0	0	2	3	0	16	0	0	0	22
Richmond Heights	1	0	0	0	0	3	3	0	16	0	0	0	23
Frontenac	1	1	0	0	0	0	3	0	0	9	9	0	14
Olivette	1	0	0	0	0	3	3	0	14	1	1	0	22
Brentwood	1	1	1	0	0	0	2	4	7	6	6	0	22
Jennings	1	0	0	0	0	0	3	0	0	12	12	0	16
Maplewood	0	1	0	0	0	0	1	4	12	0	0	0	18
Shrewsbury	1	0	0	0	0	0	4	0	12	1	1	0	18
Glendale	1	1	0	0	0	0	3	3	0	5	5	0	13
Rock Hill	1	1	0	0	0	0	2	0	7	0	0	0	11

①Includes Captain/Paramedics and Captains.

②Includes Paramedics, Engineer/Paramedics, Medical Officers, and Paramedic/Firefighters.

③Includes Firefighters, Firefighter/Inspectors, Firefighter/Medic Officers, Fire Engineers, and Firefighter/Equipment Specialists.

④The city combined it's fire and police department staff, which does not make the numbers comparable to other cities.

Schedule 13

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
 COMPARATIVE SCHEDULE OF VEHICLES BY DISTRICT AND CITY
 AS OF DECEMBER 31, 2004

District	Cars	Sport Utilities	Pick ups and Vans	Rescue and Brush Trucks	Ambulances	Fire Apparatus *	Total
Mehlville	4	6	6	1	8	12	37
Monarch	7	5	8	2	8	9	39
Metro West	2	13	2	4	7	8	36
Creve Coeur	2	10	2	1	5	4	24
Pattonville/Bridgeton Terrace	0	6	1	0	3	4	14
Fenton	1	6	2	0	4	6	19
West County EMS	1	5	1	0	4	4	15
Florissant Valley	0	4	1	1	7	5	18
Maryland Heights	0	5	1	1	3	3	13
Community	1	4	1	0	4	4	14
Black Jack	0	5	1	0	0	5	11
Eureka	1	3	2	3	3	7	19
Robertson	0	4	1	0	2	3	10
Afton	2	0	0	1	3	4	10
Spanish Lake	1	1	1	0	0	2	5
Normandy	0	2	0	0	3	3	8
Valley Park	0	3	1	0	3	4	11
Riverview	1	1	1	0	0	3	6
West Overland	0	2	0	0	2	1	5
Mid-County	0	2	0	0	0	3	5
Lemay	1	1	0	0	2	2	6
Metro North	1	1	0	0	0	2	4
City							
Kirkwood	0	3	1	1	2	4	11
University City	1	2	1	0	3	3	10
Ladue	0	3	0	0	1	2	6
Webster Groves	1	1	1	0	1	3	7
Hazelwood	2	2	1	0	0	3	8
Clayton	2	1	0	0	2	2	7
Berkeley	1	2	1	1	0	2	7
Des Peres	0	1	0	0	2	2	5
Crestwood	1	2	0	0	0	3	6
Ferguson	0	1	2	0	0	3	6
Richmond Heights	0	3	0	0	2	2	7
Frontenac	0	1	1	0	0	2	4
Olivette	1	1	1	0	0	2	5
Brentwood	0	2	0	0	2	2	6
Jennings	0	1	1	0	0	2	4
Maplewood	1	0	0	0	1	1	3
Shrewsbury	0	1	1	0	2	1	5
Glendale	0	2	0	0	0	2	4
Rock Hill	2	0	1	0	0	2	5

* This includes pumper, tankers, and aerial trucks.

Schedule 14

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY
SCHEDULE OF BUDGET COMPLIANCE
2005 BUDGET

	Actual or Estimated Revenues and Expenditures For Two Years	No Deficit Budgeting	Budgets Prepared For All Funds	Budget Message	Budget Summary	Includes Budgeted Fund Balance
Affton	Yes	*	Yes	Yes	Yes	No
Black Jack	Yes	*	No	Yes	Yes	No
Community	Yes	*	No	Yes	Yes	No
Creve Coeur	Yes	Yes	Yes	Yes	Yes	Yes
Eureka	No	*	Yes	No	No	No
Fenton	No	*	Yes	No	No	No
Florissant Valley	Yes	*	Yes	No	Yes	No**
Lemay	Yes	Yes	Yes	Yes	Yes	Yes
Maryland Heights	Yes	*	Yes	No	Yes	No
Mehlville	No	No	Yes	No	Yes	Yes
Metro North	No	Yes	No	No	No	Yes
Metro West	Yes	Yes	Yes	Yes	Yes	Yes
Mid-County	Yes	*	No	Yes	Yes	No
Monarch	Yes	Yes	Yes	Yes	Yes	Yes
Normandy	No	*	Yes	No	No	No
Pattonville/Bridgeton Terrace	Yes	*	Yes	Yes	Yes	No
Riverview	No	*	No	Yes	No	No**
Robertson	Yes	*	No	Yes	Yes	No
Spanish Lake	No	*	Yes	No	Yes	No
Valley Park	No	Yes	Yes	No	No	Yes
West County (EMS)	Yes	Yes	Yes	Yes	Yes	Yes
West Overland	Yes	Yes	Yes	No	No	Yes

* Was not applicable because fund balance was not included in the budgets.

** District included budget fund balances for some fund but not all funds.

Schedule 15

REVIEW OF INDEPENDENT AUDITS OF FIRE PROTECTION DISTRICTS IN ST. LOUIS COUNTY SUMMARY OF MANAGEMENT LETTER COMMENTS ISSUED BY AUDITORS IN CONNECTION WITH THE AUDITS OF THE YEAR ENDED DECEMBER 31, 2004

Expenditures/Purchasing

- Payments were made from past due notices which resulted in a payment being made twice.
- There was no notation on the invoice packets to indicate the general ledger account where payments should be charged.

Accounting Records and Procedures

- Two districts did not have a written accounting procedures manual.
- Bank accounts were not reconciled.
- Cash received from permits and inspections was not reconciled to a log of permits issued.
- The check summary that was given to the board for approval and signature did not allow the board to account for the check number sequence easily.
- Prior year audit adjustments were not posted to the district's accounting records upon completion of the annual audit.
- A policy was not adopted prohibiting the posting of entries to the fund balance accounts.
- Separate interfund balance accounts were not maintained and reasons for balances were not documented.
- Bank reconciliations were not reviewed by the Treasurer.
- Procedures were not in place to discover errors related to the understatement of tax revenues and taxes receivable, erroneous postings to fund balance accounts, erroneous postings to certificates of deposit accounts, and omitted investment reconciliations.
- A district and the contracted accountants were not using the same accounting software.
- A district was not periodically reviewing accounting documentation to ensure that amounts due were calculated properly and remitted in a timely fashion.

- A chart of accounts did not allow for the recording of grant revenues in the revenue section of the financial reports to properly track receipts and record amounts.

Ambulance Billings

- Uncollectible runs for two districts were not adjusted or written off in accordance with district policy.
- Two districts were not billing in accordance with the rates and terms approved by the districts.
- Two districts did not ensure that billed runs were either collected or otherwise made subject to collection procedures.
- Revenues for four districts for ambulance runs were not properly recognized.
- The billing and collection of revenues for ambulance runs for two districts were not accurately and timely reflected in accounting records.
- A system was not established for reconciling ambulance billings to actual amounts later collected or written off as uncollectible.
- Ambulance billing and collection procedures were not well documented.

Investments and Pensions

- Investment income was not recorded in the general ledger when it was paid.
- No written investment policy was adopted.
- Three districts did not obtain a qualified pension actuary to calculate the amounts that were required for the districts' financial statements.
- Investment policies were not being followed.
- No activity was recorded in the pension trust fund prior to the start of the audit.
- A district was not accurately estimating the total pension contribution for each year to properly match revenues and expenditures.
- A district needs to research balances shown as pension withholdings and determine if they are valid liabilities and needs to take steps necessary to recover payments to employees that were made in error or should be reimbursed to the district.

Capital Assets

- The threshold for capitalizing assets should be increased due to the size of the district.
- Employees were not properly trained in accounting for capital assets and assets were not tagged so they can be easily tracked.
- Two districts did not have policies for accounting for capital assets.
- A capital asset listing was not maintained.

Budgetary Procedures

- The budget did not contain provisions to eliminate the deficit fund balance at the beginning of the year in the Ambulance Fund.
- Expenditures for three districts exceeded the budgetary appropriations in various funds.
- Budgets for two districts did not include all of the funds.
- Changes to budgets were not clearly documented.

Payroll and Employee Benefits

- Manual payroll checks were not always immediately reported to the payroll service, resulting in duplicate payments. Also, some of these payments were not included on the respective employees' W-2 forms.
- Personnel files did not include documentation supporting employees' salaries.
- A district should reduce the frequency at which employees are paid.
- Loans were made to district employees.
- A district needs to review the job descriptions of accounting staff and contracted employees and determine whether appropriate tasks were completed by the appropriate position.

Pledged Securities

- Two districts and a component unit did not ensure that monies held by banks were fully collateralized.

Minutes

- Adoption of the district budget was not documented in board minutes. In addition, minutes did not include copies of ordinances and resolutions.

- Minutes were not maintained for some board meetings.

Fraud Detection Program

- Five districts did not have a proper fraud detection program.

Unclaimed Property

- Several checks outstanding for over one year were not written off or were not turned over to the state under the Unclaimed Property Law.

APPENDICES

Missouri Revised Statutes

Chapter 321 Fire Protection Districts Section 321.690

Audits to be performed, when--rules established by state auditor (Christian County fire protection districts exempt from audits).

321.690. 1. In counties of the first classification having a charter form of government and having more than nine hundred thousand inhabitants and in counties of the first classification which contain a city with a population of one hundred thousand or more inhabitants which adjoins no other county of the first classification, the governing body of each fire protection district shall cause an audit to be performed consistent with rules and regulations promulgated by the state auditor.

2. (1) All such districts shall cause an audit to be performed biennially. Each such audit shall cover the period of the two previous fiscal years.

(2) Any fire protection district with less than fifty thousand dollars in annual revenues may, with the approval of the state auditor, be exempted from the audit requirement of this section if it files appropriate reports on its affairs with the state auditor within five months after the close of each fiscal year and if these reports comply with the provisions of section 105.145, RSMo. These reports shall be reviewed, approved and signed by a majority of the members of the governing body of the fire protection district seeking exemption.

3. Copies of each audit report must be completed and submitted to the fire protection district and the state auditor within six months after the close of the audit period. One copy of the audit report and accompanying comments shall be maintained by the governing body of the fire protection district for public inspection at reasonable times in the principal office of the district. The state auditor shall also maintain a copy of the audit report and comment. If any audit report fails to comply with the rules promulgated by the state auditor, that official shall notify the fire protection district and specify the defects. If the defects specified are not corrected within ninety days from the date of the state auditor's notice to the district, or if a copy of the required audit report and accompanying comments have not been received by the state auditor within six months after the end of the audit period, the state auditor shall make, or cause to be made, the required audit at the expense of the fire protection district.

4. The provisions of this section shall not apply to any fire protection district based and substantially located in a county of the third classification with a population of at least thirty-one thousand five hundred but not greater than thirty-three thousand.

(L. 1977 H.B. 216, A.L. 1981 S.B. 200, A.L. 1986 H.B. 877, A.L. 1991 S.B. 34, A.L. 1993 H.B. 177 merged with S.B. 346, A.L. 1998 H.B. 1847)

**Rules of
Elected Officials
Division 40—State Auditor
Chapter 4—Audits of Fire Protection Districts
in St. Louis and Greene Counties**

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Title 15—ELECTED OFFICIALS**Division 40—State Auditor
Chapter 4—Audits of Fire Protection
Districts in St. Louis and Greene
Counties****15 CSR 40-4.010 Requirements for Dis-
tricts**

PURPOSE: *The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth requirements to be met directly by the district.*

(1) The district is responsible for preparing and providing financial information to be included in the audit report. The district shall maintain adequate accounting records for that purpose. These records may be maintained on the bases of accounting deemed appropriate by the district but the records shall provide adequate information to allow the district to report in accordance with generally accepted accounting principles.

(2) The district shall engage an independent auditor to conduct the audit. The state auditor does not recommend, select or approve the district's auditor or the auditor's fee, except as provided in 15 CSR 40-4.010(4). The district is responsible for fulfilling all contractual obligations with the auditor, including payment of all earned fees.

(3) The district shall require from the independent auditor an engagement letter which sets out all essential particulars. A copy of the engagement letter shall be submitted to the state auditor for his/her review before commencement of audit fieldwork. The purpose of this review is to provide reasonable assurance that the district has contractually committed an auditor to provide services to satisfy requirements of 15 CSR 40-4. The contents of this letter should include, but are not limited to:

(A) Period for which the financial statements are audited;

(B) Purpose of the audit;

(C) Scope of the audit, including consideration of the internal control structure and tests of compliance with applicable laws and regulations;

(D) Provisions that the auditor will communicate, in writing, to the district material weaknesses or reportable conditions in the internal control structure, instances of non-compliance with applicable laws and regulations and other areas of possible improvement;

(E) Provision that all workpapers, etc., will be made available to the state auditor for his/her review upon his/her request;

(F) Provision that the auditor will comply with applicable rules issued by the state auditor under 15 CSR 40;

(G) Provision that the auditor will discuss with the district any factors s/he may discover which would prevent him/her from issuing an unqualified opinion on the financial statements and allow the district and the auditor the opportunity to arrive at a resolution acceptable to both;

(H) Statement of the auditor's responsibility for detection of errors, irregularities and illegal acts; and

(I) The estimated cost of the audit and the rates which are the basis for that estimate.

(4) The district must file a copy of the completed audit report with the state auditor within six (6) months after the close of the audit period. If any audit report fails to comply with promulgated rules, the state auditor will notify the district and specify the defects. If the specified defects are not corrected within ninety (90) days from the date of the state auditor's notice to the district, or if a copy of the required audit report has not been received by the state auditor within the specified time, the state auditor will make, or cause to be made, the required audit at the expense of the district.

*Auth: section 321.690, RSMo (Cum. Supp. 1993). * Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority 1977, amended 1981, 1986, 1991, 1993.*

**15 CSR 40-4.020 Standards for Auditing
and Financial Reporting**

PURPOSE: *The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth standards for the auditing and financial reporting of the district.*

(1) The independent auditor shall meet all requirements of Chapter 326, RSMo. The auditor must be able to demonstrate that s/he meets the independence criteria contained in the code of professional ethics and rules of conduct promulgated by the Missouri State Board of Accountancy.

(2) The independent auditor shall provide to the state auditor reasonable notification of any entrance or exit conferences held with the district. This notification shall be sufficiently

in advance to allow the state auditor to attend the entrance or exit conference at his/her discretion. Upon request, the independent auditor shall provide a draft copy of the audit report and management letter to the state auditor prior to the exit conference.

(3) The audit shall conform to the standards for auditing of governmental organizations, programs, activities and functions as established by the comptroller general of the United States.

(4) The financial statements, supplementary data and accompanying notes shall be presented in conformity with generally accepted accounting principles.

*Auth: section 321.690, RSMo (Cum. Supp. 1993). * Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority 1977, amended 1981, 1986, 1991, 1993.*

**15 CSR 40-4.030 Contents of Audit
Reports**

PURPOSE: *The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule describes required and suggested information to be included in the audit reports.*

(1) Standards for auditing and financial reporting of fire protection districts are given in 15 CSR 40-4.020.

(2) All audit reports shall contain:

(A) A table of contents;

(B) A report on the financial statements;

(C) Combined financial statements and appropriate note disclosures;

(D) Other financial information which includes, but is not limited to, the following:

1. Supplemental schedule of expenditures/expenses by object, if not included in the financial statements;

2. Tax rates and assessed valuation;

3. Schedule of insurance in force which shall include, in addition to other information, the agent for each policy; and

4. Principal officeholders who held office during the period under audit, compensation received by each official in performance of his/her duty and all other compensation or reimbursement of expenses made by the district to each officeholder; and

(E) A report on the consideration of the internal control structure, a report on the tests of compliance with applicable laws and regulations and a management letter communicating areas of possible improvement not otherwise reported. The required scope of audit for the reports and management letter is set forth in 15 CSR 40-4.040(3). The reports and management letter shall include the findings and recommendations, if any, which the auditor developed during his/her audit and the district's responses to those findings and recommendations. The reports and management letter shall also indicate the nature of previous recommendations and the extent to which the district has implemented those recommendations.

(3) If the district or the auditor deems it appropriate, audit reports may contain or utilize the following:

(A) A history and organization section prepared by the district (unaudited);

(B) Comparative financial data for one (1) or more years; and

(C) Other statements, exhibits, schedules or analyses as deemed necessary or appropriate by the district or the auditor.

*Auth: section 321.690, RSMo (Cum. Supp. 1993). * Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority 1977, amended 1981, 1986, 1991, 1993.*

15 CSR 40-4.040 Scope of Audit

PURPOSE: *The state auditor has authority to establish standards and reporting requirements for audits performed on fire protection districts in St. Louis and Greene Counties. This rule sets forth the scope of the audit.*

(1) Nothing in the rules promulgated for audits of fire protection districts shall be construed as restricting, limiting or relieving the independent auditor of his/her professional judgment or responsibility.

(2) The audit shall include those tests of the accounting records and other auditing procedures which the independent auditor considers necessary in the circumstances to conform to the standards for auditing of governmental organizations, programs, activities and functions as established by the comptroller general of the United States.

(3) As part of the audit described in section (2), the auditor will obtain an understanding of the internal control structure, assess control risk and report any material weaknesses or reportable conditions. The auditor will also test compliance with applicable laws and regulations and report all material instances of noncompliance. As a part of, or in addition to, audit tests or procedures which may be necessary for the audit, the auditor shall—

(A) Review systems, procedures and management practices, including:

1. Review cash management practices to the extent necessary to determine whether significant improvements appear practicable and economically justifiable;

2. Evaluate the purchasing function to the extent necessary to determine that the district generally receives fair value, for example, bidding of significant purchases; that purchases generally represent items consistent with the function of the district; and that there is not significant likelihood of misuse or misappropriation of the district's resources through the purchasing process;

3. Review fixed asset records and procedures to the extent necessary to determine that fixed assets are properly recorded, physically controlled and in the possession of the district;

4. Review fidelity bond coverages to determine that all persons with access to assets of the district appear covered in sufficient amounts;

5. Evaluate the budgeting practices to the extent necessary to determine whether significant improvements appear practicable and economically justifiable;

6. Review related party transactions;

7. Review evaluate other areas as required by the district; and

8. Review significant areas or matters which come to the attention of the auditor;

(B) The auditor will note areas of possible improvement in the district's systems, procedures and management practices. In evaluating district systems, procedures and management practices, the auditor should consider whether improvements appear practicable and economically justifiable.

(C) Test compliance with applicable laws and regulations, including:

1. Design the audit to provide reasonable assurance of detecting errors, irregularities and illegal acts that could have a direct and material effect on the financial statements;

2. Be aware of the possibility of illegal acts that could have an indirect and material effect on the financial statements; and

3. Test compliance with other legal provisions as s/he deems necessary or appropriate in the circumstances.

(D) Legal provisions which the auditor should consider in his/her audit include, but are not limited to, the following:

1. Article III, Sections 38(a) and 39(3) and Article VI, Section 25, *Constitution of Missouri* limitations on use of funds and credit;

2. Article VI, Section 26, *Constitution of Missouri* limitations on indebtedness without popular vote;

3. Article VI, Section 29, *Constitution of Missouri* application of funds derived from public debts;

4. Article VII, Section 6, *Constitution of Missouri* penalty for nepotism;

5. Chapter 67, RSMo budgetary requirements;

6. Sections 70.210 to 70.230 and Section 432.070, RSMo contracts;

7. Section 105.145, RSMo annual report;

8. Chapter 105, RSMo conflict of interest;

9. Chapter 108, RSMo bond issues;

10. Chapter 321, RSMo fire protection districts;

11. Other applicable portions of the *Constitution of Missouri* and the *Missouri Revised Statutes*;

12. Applicable sections of *Code of State Regulations*; and

13. Other applicable legal provisions.

(4) The auditor shall report on the reviews and examinations required by this rule in a management letter as set forth in 15 CSR 40-4.030 (2)(E).

*Auth: section 321.690, RSMo (Cum. Supp. 1993). * Original rule filed May 12, 1978, effective Sept. 11, 1978. Amended: Filed Dec. 2, 1985, effective Feb. 13, 1986. Amended: Filed June 14, 1994, effective Nov. 30, 1994.*

**Original authority 1977, amended 1981, 1986, 1991, 1993.*